Postal Regulatory Commission Submitted 1/30/2012 1:52:13 PM Filing ID: 80107 Accepted 1/30/2012

BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

)	
ANNUAL COMPLIANCE REPORT, 2011)	Docket No. ACR2011
)	

VALPAK DIRECT MARKETING SYSTEMS, INC. AND VALPAK DEALERS' ASSOCIATION, INC. MOTION FOR ISSUANCE OF INFORMATION REQUEST (January 30, 2012)

Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. (hereinafter "Valpak"), pursuant to Rule 3001.21(a), hereby move the Commission to issue an Information Request, seeking additional clarifying data and explanation from the Postal Service concerning two Standard Mail products — Standard Flats and Every Door Direct Mail.

Valpak has reviewed the Postal Service's FY 2011 ACR, and has been unable to fully locate or understand certain information. Two of the proposed questions follow up on the Postal Service's responses to the Chairman's Information Request ("ChIR") No. 1. One relates to seemingly anomalous data. Valpak believes that obtaining this information would contribute a better understanding of this year's ACR as submitted by the Postal Service, and improve transparency.

Proposed Questions for the Postal Service

1. In response to ChIR No. 1, question 9(d), the Postal Service provided an estimate of the cost coverage for Standard Mail Flats for FY 2012 as a result of the recent Docket No. R2012-3 price adjustments to be 84 percent. In order for the Commission and mailers to place this single coverage into context, and better understand the disparity

- between Standard Mail Flats and the five other products within Standard Mail in FY 2012, please provide cost coverage estimates for each of the other Standard Mail products for FY 2012 using the same methodology.
- 2. In response to ChIR No. 1, question 9(e), the Postal Service provided an estimate of the contribution (negative) from Standard Mail Flats for FY 2012 as a result of the Docket No. R2012-3 price adjustments to be -\$458 million. In order for the Commission and mailers to place this large loss into context, and better understand the disparity between Standard Mail Flats and the five other products within Standard Mail in FY 2012, please provide estimates of the contributions for each of the other Standard Mail products for FY 2012 using the same methodology.
- 3. Please refer to USPS-FY11-4, file FY 2011 Standard Mail.xls, tab ECR FLATS P. C2-2, row 51, which reports the revenues, pieces, and weights for Every Door Direct Mail ("EDDM").
 - a. Please confirm that this row reports data for both (i) EDDM-BMEU and (ii) EDDM-Retail (which is the subject of the Market Test of an Experimental Product, Docket No. MT2011-3). If you do not confirm, please identify which product is included in that row, and explain where revenue, pieces, and weights for the other EDDM product is reported.
 - b. Please also refer to USPS-FY11-4, folder Supplemental, files SM 2011Q3.xls and SM 2011Q4.xls, each of which has tab ECR FLATS P. C2-2, row 51, reporting the revenues, pieces, and weights for EDDM for FY 2011, quarters 3 and 4, respectively. All data reported for EDDM in the annual report equals the data in the

report for quarter 3, but the revenue and volume in quarter 4 is zero. Please confirm that there was no revenue or volume for EDDM in quarter 4, and if so, explain whether the EDDM program has been terminated. If not confirmed, please provide the data for quarter 4 or indicate whether and where the quarter 4 data can be found in the Postal Service's Docket No. ACR2011 filing, and correct EDDM revenue and volume data as may required.

Respectfully submitted,

William J. Olson John S. Miles Jeremiah L. Morgan WILLIAM J. OLSON, P.C. 370 Maple Ave. W, Suite 4 Vienna, Virginia 22180-5615 (703) 356-5070

Counsel for:

Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc.